Nano One Awarded $10 million from Sustainable Development Technology Canada

written by Raj Shah | February 13, 2023

$10 million in non-dilutive support from SDTC helps:

- ***Fast track and convert North America's only LFP plant to pilot Nano One's One-Pot Process.***
- ***Leverage high-quality acquisition of LFP plant and amplifies expansion plans.***
- ***Accelerate strategic growth and offtake opportunities with consortium partners Rio Tinto, Lithion Battery Inc., and undisclosed auto OEM.***
- ***Clear a path to industrial scale piloting, demo commercial production and revenues.***
- ***Maximize shareholder value, support cleantech innovation and enhance security of supply.***

February 13, 2023 (Source) – Nano One® Materials Corp. ("Nano One" or the "Company") (TSX:NANO)(OTC PINK:NNOMF)(Frankfurt:LBMB) is a clean technology company with patented processes for the low-cost, low-environmental footprint production of high-performance cathode materials used in lithium-ion batteries. Nano One is pleased to announce an award of $10 million in non-dilutive, non-repayable contributions from Sustainable Development Technology Canada ("SDTC"). These funds will support the conversion of Nano One's recently acquired Candiac facility to the patented One-Pot Process for industrial-scale pilot production of lithium iron phosphate (LFP). SDTC's continued support has been an important contribution to Nano

One’s success and will accelerate the LFP piloting while advancing the plan towards commercial operations.

The SDTC project also includes financial support for the design, construction, and operation of a multi-cathode piloting hub (MCPH) to help customize and advance Nano One’s One-Pot and metal-direct-to-CAM (M2CAM®) processes for the industrial scale pilot production of next-gen LFP, NMC and LNM cathode active materials (CAM). These processes are being developed independently by Nano One and jointly with global cathode partners[1,2] and various automotive collaborators for future licensing, joint venture and independent production opportunities. Nano One will lead the project with valuable contributions from consortium partners Rio Tinto, Lithion Battery Inc., and an undisclosed automotive OEM[3].

“These funds will help us fast track the conversion of North America’s only LFP plant to Nano One’s patented One Pot Process,” said Nano One CEO Mr. Dan Blondal. *“This will showcase world-class cathode materials, made right here in Canada, and differentiated on a global scale by driving down costs, energy intensity and environmental footprint. It will enable joint development, industrial scale piloting and customer validation of LFP, NMC and LNM CAM, and it will help accelerate licensing and offtake while shortening the journey to revenue, full-scale commercial demonstration and wide-scale expansion. This aligns well with Nano One’s mission to maximize shareholder value, create prosperity in Canada, and secure supply chains for the North American lithium-ion battery ecosystems. It does so by leveraging our recent acquisition in Candiac, and by setting the stage for high-quality resilient business opportunities that will promote steady growth into the future.”*

This project is named *Pre-Commercial Trial and Multi Cathode*

Piloting Hub, will be multi-phase, multi-year and milestone driven. This follows two other successful Nano One SDTC projects[4,5] which assisted in demonstrating the One-Pot process at small pilot scale production volumes and advanced the technology to this point of pre-commercial trials. This project also leverages Nano One's recent high-value acquisition of the Johnson Matthey[6] LFP business in Candiac, Québec, Canada, on November 1, 2022. It amplifies the opportunity for global LFP business expansion and is further validated by the support of the federal government and the project's industrial consortium partners. Nano One's project in Candiac is further enhanced by a team with deep technology commercialization experience, scale-up knowhow and automotive quality CAM production expertise, all led by a seasoned executive team.

Mr. Blondal added, "We thank SDTC, the Government of Canada and our consortium members for their continued support. It adds strength for Nano One and our valued shareholders as we pursue the advancement and commercialization of our technology. We are aligned with government in creating supply chains that are competitive, resilient, and differentiated with minimal waste, cost, energy, water usage and security issues. Our Candiac facility will be a launch-pad for a new generation of scalable cathode materials and sustainable supply chains."

Leah Lawrence, CEO of SDTC, commented,*"As the global electric vehicle (EV) market continues to grow, ensuring a reliable supply of EV batteries is essential to Canada's economic competitiveness. Nano One's innovative cathode active materials (CAM) manufacturing process will ensure a cleaner and efficient battery supply chain here at home in Canada and North America as well. SDTC is proud to continue our support for Nano One as it enters its next stage of growth."*

Minister Francois-Philippe Champagne, Minister of ISED, said, *“Canada is moving aggressively to seize the economic opportunities from critical minerals mining, refining, and manufacturing. We are committed to leveraging our competitive advantages-abundance of critical minerals, skilled labour, clean energy, proximity to markets-to achieve this goal. Canada’s innovation ecosystem is another key advantage, and we must harness revolutionary technologies that drive innovation in this space. To that end, we’re proud to support Nano One as they change the way battery materials are made, reducing the cost and environmental footprint of electric vehicle batteries, and advancing made-in-Canada innovation.”*

The company looks forward to presenting further details as it executes on its vision, strategic initiatives and plans in 2023.

[1] 2022 05 31 – https://nanoone.ca/news/news-releases/nano-one-and-basf-enter-into-a-joint-development-agreement-for-lithium-ion-battery-materials/

[2] 2022 12 22 – https://nanoone.ca/news/news-releases/nano-one-and-umicore-enter-into-joint-development-agreement-for-battery-materials-process-technology/

[3] 2020 12 18 – https://nanoone.ca/news/news-releases/nano-one-enters-into-a-cathode-evaluation-agreement-with-major-global-automotive-company/

[4] 2019 09 30 – https://nanoone.ca/news/news-releases/nano-one-receives-1-181-944-from-sdtc/

[5] 2022 08 23 – https://nanoone.ca/news/news-releases/nano-one-receives-c-1.8m

-towards-sdtc-milestone-4-and-granted-2-patents/

[6] 2022 10 01 – https://nanoone.ca/news/news-releases/nano-one-announces-closing-of-candiac-acquisition-from-johnson-matthey-and-appoints-denis-geoffroy-as-chief-commercialization/

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About Sustainable Development Technology Canada

At SDTC, we support companies attempting to do extraordinary things.

From initial funding to educational support and peer learning to market integration, we are invested in helping our small and medium-sized businesses grow into successful companies that employ Canadians from coast to coast to coast. We are relentlessly focused on supporting our companies to grow and scale in an increasingly competitive marketplace.

The innovations we fund help solve some of the world's most pressing environmental challenges: climate change, regeneration through the circular economy, and the well-being of humans in the communities they live in and the natural environment they interact with.

About Rio Tinto

Rio Tinto is a mining and metals company operating in 35 countries around the world that produces the materials essential to human progress. It aims to help pioneer a more sustainable future, from partnering in the development of technology that can make the aluminum smelting process entirely free of direct GHG emissions, to providing the world with the materials it needs – such as copper and titanium – to build a new low-carbon economy and products like electric vehicles and smartphones.

Rio Tinto has a long history in Québec, Canada where it operates significant aluminium, iron and titanium businesses. Rio Tinto is building a leading battery materials business, with three lithium projects in development across the United States, Argentina and Serbia.

About Lithion Battery

Lithion is a vertically integrated manufacturer of cells and rechargeable and non-rechargeable battery modules and packs serving the industrial, medical, robotic, military / defense and energy end-markets. Lithion works closely with original equipment manufacturers and end users to provide high-quality power solutions for critical applications where reliability is paramount. Working closely with customers while producing Lithium Iron Phosphate and other lithium-ion cells and battery modules and packs out of Lithion's North American based manufacturing operations, allows the Company to reliably deliver product to customers – products which are controlled by highly customizable battery management systems. Highly differentiated product coupled with reliable supply allows Lithion to provide the electrification solutions customers require.

About Nano One®

Nano One Materials Corp (Nano One) is a clean technology company with a patented, scalable and low carbon intensity industrial process for the low-cost production of high-performance lithium-ion battery cathode materials. It employs approximately 120 people at its innovation and commercialization hubs in British Columbia and Québec, including the only LFP plant and production team in North America. It has strategic collaborations and partnerships, that include Rio Tinto, BASF, Umicore, CBMM and various automotive OEMs.

Nano One's technology is applicable to electric vehicles, energy

storage, consumer electronics and next generation batteries in the global push for a zero-emission future. Its One-Pot process, its coated single crystal materials, and its Metal to Cathode Active Material (M2CAM®) technologies address fundamental performance needs and supply chain constraints; they also reduce equipment and raw material costs, operating expenses, and carbon intensity; and they eliminate a significant waste stream for a much-improved environmental footprint.

The Company aims to pilot and demonstrate its technology as turn-key CAM production solutions for license, joint venture and independent production opportunities. This leverages Canadian talent, critical minerals, renewable energy, and a thriving ecosystem with access to large emerging markets in North America, Europe and the Indo-Pacific region. Nano One has received funding from the SDTC, Government of Canada and Government of British Columbia.

For more information, please visit **www.nanoone.ca**

Company Contact:

Paul Guedes
info@nanoone.ca
(604) 420-2041

Certain information contained herein may constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking information in this news release includes, but is not limited to, statements with respect to: the development of technology, supply chains, and plans for construction, scale-up and operation of a multi cathode piloting hub (MCPH), achievement of industrial scale piloting, demo commercial production and revenues, successful current and

future collaborations that may happen with OEM's, miners or others, including consortium partners, the execution of the Company's plans which are contingent on support and grants and the commercialization of the Company's technology and patents. Generally, forward-looking information can be identified by the use of terminology such as 'believe', 'expect', 'anticipate', 'plan', 'intend', 'continue', 'estimate', 'may', 'will', 'should', 'ongoing', 'target', 'goal', 'encouraged', 'projected', 'potential' or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements are based on the current opinions and estimates of management as of the date such statements are made are not, and cannot be, a guarantee of future results or events. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including but not limited to: the ability of the Company to obtain additional financing, including the receipt of total grant monies from SDTC; the receipt of all necessary regulatory approvals; general and global economic and regulatory changes; next steps and timely execution of the Company's business plans; successful execution of industrial scale piloting, demo commercial production and revenue generation; the development of technology, supply chains, and plans for construction and operation of a multi cathode piloting hub (MCPH), continuation and future collaborations that are/may happen with the OEM's, miners or others, including the consortium partners; the Company's ability to achieve its stated goals; the commercialization of the Company's technology and patents and other risk factors as identified in Nano One's MD&A and its Annual Information Form dated March 28, 2022, both for the year ended December 31, 2021, and in recent securities

filings for the Companies which are available at www.sedar.com. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake any obligation to update any forward-looking statements or forward-looking information that is incorporated by reference herein, except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements.

SOURCE: Nano One Materials Corp.